

206-04 GRANTS MATCHING COST – PROCEDURE

1. PURPOSE

The purpose of this procedure is to outline the process to identify matching costs that will be used to meet a required cash or in-kind match, reconcile matching costs after the fact and document actual matching costs as required by the Uniform Guidance 2CFR-200.306.

2. PROCEDURE

1. The Grant Manager and the Grant Accountant will determine estimated matching costs based on a review of prior years and from interviewing personnel who will be considered as having cost matching job activities of the program proposal being considered. They will develop a plan based on the methods detailed below. If there is sufficient evidence to meet match requirements, the grant proposal/application may be submitted.
2. To qualify, the match dollars must be used to meet the objectives of the proposed project and may come from either the college or third party, but typically not from other grants.
3. All match expenses must occur during the period of the grant award. Documented approval by the granting agency is required for any exceptions.
4. Documentation for program match will be maintained and may include an approved proposal from a cognizant agency, invoices, formulas used in determining the indirect cost allocation, and support figures used in the formulas.
5. Calculation methods
 - a. Federal indirect rate: The College has a federally negotiated indirect cost rate also known as facilities and administrative cost rate. This rate is applied to base expenses which are considered as direct salaries and wages including vacation, sick pay and other paid absences but excluding all other fringe benefits. This method of calculating College costs is the preferred method of the College and is to be used unless a given grant has any statutory or administrative limitations, or if using this method does not fully satisfy grant match requirements.
 - b. Actual: All in-kind activities and costs directly tracked and reported. These costs will be estimated based on expectations of matching job activities and costs planned during the grant performance cycle, as developed and reviewed by both the Grant Manager and the Grant Accountant. During the grant period of performance, all personnel that have been identified as performing job activities in support of a grant funded program on an in-kind basis must submit monthly time and effort documentation to the Grant Accountant. The time and effort documentation along with other documentation from other in-kind matching costs such as mileage, facility rental, security and maintenance will be used by

The Grant Accountant to perform a quarterly reconciliation of the actual matching costs.

- c. Cash match transfer: The College may elect to transfer cash to a grant program, as all or part of the grants required match, if it is determined that there is an in-kind match shortfall or if it is required by a grant.
 - d. General Fund allocation: The College may elect to pay the salary and benefits for a direct grant employee or other direct grant expenditures through the general fund. This payroll allocation and other support can be considered a matching expense and be used to determine compliance with matching requirements.
6. Using multiple methods
- a. The Federal indirect rate method can be used with a cash match transfer and/or general fund allocation to meet match requirements.
 - b. The Actual calculation method can be used with a cash match transfer and/or general fund allocation to meet match requirements.
 - c. To avoid duplicating costs considered as match, the Federal indirect rate method and the Actual method shall never be combined to meet match requirements.
7. At least quarterly, a summary of the actual matching costs will be compared to the actual grant expenditures for the reconciliation period. This process will identify if matching requirements are being met, if grant budget adjustments are needed, or if other changes are necessary to maintain compliance.
8. Unless a specific method is required by a grant, the method that results in the largest in-kind cost match will be used.
9. Any grant that requires a match and also allows for indirect recovery must undergo an evaluation by the Grants Accountant to ensure costs are not duplicated as both match and indirect.

3. BACKGROUND

1. References: Arizona Office of the Auditor General Uniform System of Accounting and Financial Reporting for Arizona Community College Districts; Uniform Guidance 2CFR-200
2. Revision history: 12/05/2018 (new)
3. Legal review: none
4. Sponsor: Business and Administrative Services

Adopted by College Council: 12/05/2018

COCONINO COMMUNITY COLLEGE